

**WORKING DRAFT**

HOUSE BILL NO. \_\_\_\_\_

Health care information technology.

Sponsored by: Joint Labor, Health and Social Services  
Interim Committee

A BILL

for

1 AN ACT relating to public health and safety; providing for  
2 electronic health records; providing for the designation of  
3 a regional health information organization; providing for  
4 contracting with the regional health information  
5 organization for development of a system of electronic  
6 health records; providing priorities in system development;  
7 providing protections for patient privacy; providing for  
8 development of incentives for use of the system; providing  
9 appropriations; and providing for an effective date.

10

11 *Be It Enacted by the Legislature of the State of Wyoming:*

12

13 **Section 1.** W.S. 35-29-101 through 35-29-105 are  
14 created to read:

15

1           CHAPTER 29 - REGIONAL HEALTH INFORMATION ORGANIZATION

2

3           **35-29-101. Definitions.**

4

5           (a) As used in this act:

6

7                   (i) "Department" means the department of health;

8

9                   (ii) "Continuity of care record" means an  
10 electronic record which is a summary of patient health  
11 information. A continuity of care record contains the  
12 portion of the electronic health record or the medical  
13 health record most likely to be useful to a new health care  
14 provider treating a patient and shall contain identifying  
15 information needed to associate an individual with the  
16 record and other pertinent information;

17

18                   (iii) "Electronic health record" means a record  
19 stored electronically containing medical and other health  
20 related information about an individual and containing  
21 identifying information needed to associate an individual  
22 with the record and any other pertinent information;

23

1           (iv) "Electronic medical record" means a record  
2 stored electronically containing medical information about  
3 an individual, identifying information needed to associate  
4 an individual with the record and any other pertinent  
5 information. An electronic medical record is a subset of  
6 an electronic health record;

7

8           (v) "Hub" means a centralized computer software  
9 function that receives, translates and transmits  
10 information among various electronic health record systems.  
11 A hub may also facilitate data management including but not  
12 limited to all or portions of electronic health records and  
13 may develop reports and perform other functions needed for  
14 a functioning statewide electronic health records system;

15

16           (vi) "RHIO" means the regional health  
17 information organization for Wyoming;

18

19           (vii) "This act" means W.S. 35-29-101 through  
20 35-29-105.

21

22           **35-29-102. RHIO designation; contracting with**  
23 **the RHIO.**

24

1           (a) The department, with the approval of the governor  
2 and guided by the report to the health care commission  
3 developed as required by 2004 Wyoming Session Laws Chapter  
4 100, Section 1(b), shall designate an organization as the  
5 RHIO for the state of Wyoming.

6

7           (b) The department shall contract with the RHIO for  
8 the development and operation of systems to enable and  
9 facilitate the operation of electronic health records  
10 capable of interchanging information within the state and  
11 to the extent feasible outside the state.

12

13           (c) The contract pursuant to subsection (b) of this  
14 section shall provide for the:

15

16                   (i) Development, installation and operation of  
17 the hub;

18

19                   (ii) Modification and updating of the hub to  
20 accommodate new applications and new national or  
21 international governmental or industry standards;

22

23                   (iii) Accommodating and integrating to the  
24 extent feasible information from electronic health record

1 and medical record systems used by Wyoming hospitals,  
2 physicians, other Wyoming health care providers, state  
3 agencies and, if possible, federal government providers  
4 including but not limited to the veterans administration  
5 and the Indian health service;

6

7 (iv) Safeguards and requirements set forth in  
8 W.S. 35-29-106;

9

10 (v) A right for the department to terminate the  
11 contract for unsatisfactory performance.

12

13 **35-29-103. RHIO; addition of hospitals and other**  
14 **health care providers.**

15

16 (a) The RHIO in consultation with the department  
17 shall select hospitals to participate in the statewide  
18 health information system via the hub. The RHIO shall  
19 divide the hospitals in the state into two groups as  
20 follows:

21

22 (i) "Group I" means those hospitals with  
23 functioning internal electronic medical records; and

24

1           (ii) "Group II" means those hospitals without  
2 electronic medical records or with partial systems.

3

4           (b) The RHIO in consultation with the department  
5 shall rank group I hospitals in priority order based on the  
6 following criteria:

7

8           (i) The readiness of the hospital and its system  
9 to interface with the hub, the cost of implementing that  
10 interface and the willingness of the hospital  
11 administration to do so;

12

13           (ii) The number of patients whose hospital  
14 medical records will be available via the hub and the  
15 expected startup and ongoing cost per patient;

16

17           (iii) The percentage of practicing physicians  
18 and other health care providers willing and able to  
19 efficiently interface with either the hospital system  
20 directly or the hospital system via the hub and the cost  
21 per provider; and

22

1           (iv) Any other criteria relevant to cost  
2 effective and timely connection of a hospital system to the  
3 hub.

4

5           (c) The RHIO in consultation with the department  
6 shall rank group II hospitals in priority order based on  
7 the following criteria:

8

9           (i) The willingness and readiness of the  
10 hospital to install an electronic medical records system to  
11 interface with the hub and the estimated cost of the  
12 installation;

13

14           (ii) The number of patients whose hospital  
15 medical records will be available via the hub and the  
16 expected startup and ongoing cost per patient;

17

18           (iii) The percentage of the physicians and other  
19 health care providers in the community ready and willing to  
20 install electronic medical records systems to interface  
21 with the hub;

22

1           (iv) Any other criteria relevant to cost  
2 effective and timely connection of a hospital system to the  
3 hub.

4  
5           (d) The RHIO, using funds obtained pursuant to  
6 contract with the department and other available sources,  
7 shall fund, with a fifty percent (50%) local match  
8 requirement, the incremental costs of interfacing existing  
9 hospital electronic medical record systems with the hub  
10 and, where needed, purchasing and installing new or new  
11 parts for hospital electronic medical record systems that  
12 interface with other systems via the hub. The RHIO with  
13 the approval of the department may waive or partially waive  
14 the local match requirement for group II hospitals in whole  
15 or in part to the extent the size of the hospital, patient  
16 characteristics or other factors make local funding  
17 unrealistic. The RHIO shall disburse available funds based  
18 on the priority lists developed pursuant to subsections (b)  
19 and (c) of this section. To the extent practical, the RHIO  
20 shall fund at least one (1) hospital in group II for every  
21 two (2) hospitals funded from group I, but shall disregard  
22 this requirement when all willing institutions in either  
23 group are funded.

24



1           (e) In selecting the first group of hospitals for  
2 funding, the RHIO shall select for a reasonable  
3 distribution by location and hospital size.

4  
5           (f) In making priority and funding decisions the RHIO  
6 shall not discriminate against a hospital or other provider  
7 based on its status as for profit, not for profit or  
8 governmental. However, no hospital, institution or other  
9 health care provider shall be funded which is unwilling to  
10 treat Medicaid clients, persons insured through state and  
11 local government health care programs and persons whose  
12 care is the financial responsibility of the state. Any  
13 hospital or institution which discriminates against those  
14 persons via a quota or similar system shall have the lowest  
15 priority for funding.

16  
17           (g) The RHIO with the approval of the department may  
18 fund, on a matching basis of up to fifty percent (50%), the  
19 incremental start-up and system upgrade costs for one or  
20 more of the following institutions to participate in the  
21 statewide electronic health records system via the hub:

22  
23           (i) Any community health center operating within  
24 the state;

1

2           (ii) Any voluntary non-profit clinic providing  
3 medical care to the poor for free or for a nominal fee;

4

5           (iii) Rural health clinics.

6

7           (h) The RHIO may cooperate with the Indian health  
8 service, the veterans administration and other federal  
9 agencies in interfacing with their systems via the hub.

10

11           (j) The RHIO may provide technical and consultative  
12 services to any Wyoming health care provider seeking to  
13 interface with the statewide electronic health care records  
14 system via the hub. Subject to the restrictions of  
15 subsection (e) of this section, the RHIO in consultation  
16 with the department may develop a pilot program of  
17 financial assistance and incentives for other health care  
18 providers in Wyoming including providers in private  
19 practice to install electronic health records or electronic  
20 medical records. In developing the pilot program the RHIO  
21 shall consider using incentives for providers such as  
22 personal digital assistants or other devices loaded with  
23 relevant drug formularies and the Wyoming Medicaid  
24 preferred drug list and capable of transmitting electronic

1 prescriptions entered by the provider. The pilot program  
2 shall be implemented only with the approval of the  
3 department.

4

5 (k) The RHIO may fund projects and assistance to  
6 institutions outside the priorities established pursuant to  
7 this section to meet the requirements of grant and contract  
8 funders other than the department and may, with the  
9 approval of the department, use state funds obtained via  
10 the contract to meet matching requirements in such  
11 circumstances.

12

13 **35-29-104. Electronic health care record systems;**  
14 **applications; interfacing with the hub.**

15

16 (a) The RHIO shall develop the following applications  
17 for the electronic health care record system interfacing  
18 via the hub:

19

20 (i) Electronic prescribing enabling prescribers  
21 to write electronic prescriptions and have them sent  
22 electronically to pharmacies;

23

1           (ii) Continuity of care records which shall be  
2 an electronic summary of patient health information that  
3 would be available to providers in any setting interfacing  
4 with the hub;

5

6           (iii) Local provider access to hospital  
7 information systems either directly or via the hub; and

8

9           (iv) Administrative transaction processing to  
10 provide administrative functions such as a claims  
11 processing and eligibility checking service for providers  
12 that want to process insurance transactions electronically  
13 with their payers provided that development of this  
14 function may be discontinued if information from providers  
15 indicates existing systems are adequate and cost effective  
16 for this function without the state effort.

17

18           (b) The RHIO shall prepare in the future, subject to  
19 funding and priorities, to implement the following  
20 functions to interface via the hub:

21

22           (i) A registry of information on the  
23 administration of vaccine to individuals possibly as part  
24 of the continuity of care record;

1

2 (ii) A registry of individual advance  
3 directives.

4

5 **35-29-105. Operating costs.**

6

7 The department shall plan to meet all operating costs  
8 of the RHIO not funded through grants from other sources  
9 for the 2006-2008 biennium. The RHIO shall develop a plan  
10 to cover all operating costs via earnings and provider  
11 fees once the system is fully implemented on a statewide  
12 basis. The plan shall include a schedule of the  
13 professional staff needed to operate and maintain the hub  
14 and provide technical assistance to provider and  
15 institutional users. The plan shall be submitted to the  
16 joint labor, health and social services interim committee  
17 by October 1, 2007.

18

19 **35-29-106. Conditions and precautions.**

20

21 (a) The statewide electronic health care records and  
22 the hub shall be compliant with the patient privacy  
23 requirements of the federal Health Insurance Portability

1 and Accountability Act of 1996 and subsequent similar  
2 enactments;

3

4 (b) The hub shall be constructed so that it cannot be  
5 used by employers in their capacity as employers and  
6 insurance companies to access individual continuity of care  
7 records or inappropriate parts of individual health or  
8 medical records. Information needed to pay claims and  
9 information useful for providing care where an insurer is a  
10 health maintenance organization or similar organization  
11 that provides care is appropriate access.

12

13 (c) The chief state information officer in his  
14 standard budget shall provide funds for third party  
15 security audits of the RHIO, the hub and related systems to  
16 ensure compliance with privacy provisions and identify  
17 security weaknesses in need of improvement.

18

19 (d) Individuals are entitled to access to information  
20 in their individual continuity of care record and  
21 vaccination records. The RHIO shall develop appropriate  
22 procedures to make this access practical, secure and  
23 inexpensive.

24

1           (e) The RHIO may make information in electronic  
2 health or medical records accessed via the hub available in  
3 a de-identified form for legitimate medical, health related  
4 or public policy research. Where the research is valuable  
5 for commercial purposes, the RHIO may charge a fee which  
6 shall be used to support the operation of the RHIO. Where  
7 such research finds information of value to a patient whose  
8 de-identified data is being used, the RHIO may disclose the  
9 information to the patient either directly or via his  
10 health care provider. Where identified information is  
11 sought for research, it may be disclosed only with the  
12 consent of the person whose information is sought or his  
13 appropriate legal guardian, representative or surrogate.

14

15

16

17           **Section 2.**

18

19           (a) The department shall consider and report to the  
20 joint labor, health and social services interim committee  
21 before November 15, 2006 on the use of enhanced Medicaid  
22 reimbursement as an incentive for providers to use  
23 electronic medical records that interface with the hub as  
24 provided in Section 1 of this act.

1

2 (b) If the federal government, with respect to  
3 electronic prescribing of drugs for Medicare or other  
4 federal program, preempts state pharmacy law or regulations  
5 relating to prescribing of drugs, the state board of  
6 pharmacy shall promulgate regulations allowing all  
7 electronic prescribing in Wyoming to conform to the federal  
8 requirements. The state board of pharmacy shall report to  
9 the joint labor, health and social services interim  
10 committee on an as needed basis regarding any conforming  
11 changes needed in state law.

12

13 **Section 3.**

14

15 (a) There is appropriated from the general fund to  
16 the department of health twenty million ninety-four  
17 thousand four hundred forty dollars (\$20,094,440.00) for  
18 the development, testing and implementation of the hub and  
19 the applications provided in Section 1 of this act. The  
20 appropriation shall remain available until expended.

21

22 (b) There is appropriated from the general fund to  
23 the department of health nine hundred forty-six thousand  
24 four hundred seventy-one dollars (\$946,471.00) for the



1 operating and technical assistance expenses of the RHIO  
2 established by this act.

3

4 (c) There is appropriated from the general fund to  
5 the department of health thirty-seven million dollars  
6 (\$37,000,000.00) for financial assistance to hospitals,  
7 other institutions and health care providers as provided by  
8 this act. Funds appropriated under this subsection may be  
9 encumbered by contract with the RHIO only before July 1,  
10 2008.

11

12 (d) There is appropriated from the general fund to  
13 the department of administration and information forty  
14 thousand dollars (\$40,000.00) for security audits by the  
15 state chief information officer, including pre-audits  
16 during the development phase.

17

18 (e) There is appropriated from the general fund to  
19 the department of health two hundred forty thousand dollars  
20 (\$240,000.00) and three additional positions are authorized  
21 to implement the purposes of this act.

22

23 (f) With the approval of the department of health,  
24 the RHIO may move funds appropriated by subsection (a) and

1 (c) of this section and provided to the RHIO by the  
2 department via contract from one function to the other.

3

4 **Section 4.** This act is effective immediately upon  
5 completion of all acts necessary for a bill to become law  
6 as provided by Article 4, Section 8 of the Wyoming  
7 Constitution.

8

9

(END)